



Signed and Filed: July 15, 2020

DENNIS MONTALI  
U.S. Bankruptcy Judge

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UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF CALIFORNIA  
SAN FRANCISCO DIVISION

In re:

**PG&E CORPORATION,**

**- and -**

**PACIFIC GAS AND ELECTRIC COMPANY,**

**Debtors.**

- ☐ Affects PG&E Corporation  
☒ Affects Pacific Gas and Electric Company  
☐ Affects both Debtors

*\* All papers shall be filed in the Lead Case,  
No. 19-30088 (DM).*

Case No. 19-30088 (DM)  
Chapter 11  
(Lead Case)  
(Jointly Administered)

**ORDER APPROVING  
STIPULATION BETWEEN PACIFIC  
GAS AND ELECTRIC COMPANY  
AND THE CITIES OF ARCATA,  
BLUE LAKE, CHICO, CUPERTINO,  
DINUBA, MONTEREY, ORANGE  
COVE, OROVILLE, PACIFIC  
GROVE, SACRAMENTO, SALINAS,  
SAN LEANDRO, SANGER, SANTA  
CRUZ, SUNNYVALE, VALLEJO,  
WOODLAKE, AND THE COUNTY  
OF SACRAMENTO FOR LIMITED  
RELIEF FROM AUTOMATIC STAY**

The Court having considered the *Stipulation Between Pacific Gas and Electric Company and the Cities of Arcata, Blue Lake, Chico, Cupertino, Dinuba, Monterey, Orange Cove, Oroville, Pacific Grove, Sacramento, Salinas, San Leandro, Sanger, Santa Cruz, Sunnyvale, Vallejo, Woodlake, and the County of Sacramento for Limited Relief from Automatic Stay* (the “**Stipulation**”),<sup>1</sup> entered into by Pacific Gas and Electric Company (the “**Utility**”), as a reorganized debtor in the above captioned chapter 11 cases (the “**Chapter 11 Cases**”), on the one hand, and the Cities of Arcata, Blue Lake, Chico, Cupertino, Dinuba, Monterey, Orange Cove, Oroville, Pacific Grove, Sacramento, Salinas, San Leandro, Sanger, Santa Cruz, Sunnyvale, Vallejo, Woodlake, and the County of Sacramento (the “**Municipalities**”), on the other hand, filed on July 15, 2020 [Dkt. No. 8400]; and pursuant to such Stipulation and agreement of the Parties, and good cause appearing,

IT IS HEREBY ORDERED THAT:

1. The Stipulation is approved.
2. The Stipulation is effective as of the date of entry of this Order, notwithstanding any effect of Bankruptcy Rule 4001(a)(3) to the contrary.
3. The automatic stay or Plan injunction, as applicable, is modified solely to permit the Municipalities to commence an action (the “**State Court Action**”) against the Utility in the Superior Court for the State of California, County of San Francisco, through which the Municipalities may prosecute, through final judgment and any appeals thereof, solely those Electricity Tax Claims that have arisen and relate exclusively to the period following the Petition Date, but not to permit enforcement of any judgment for monetary recovery, which, if granted, the Municipalities shall recover only in accordance with the Plan. Declaratory relief as to any Electricity Tax Obligations of the Utility that have arisen and relate exclusively to the period following the Petition Date, and that is prospective in nature, shall be enforceable in accordance with California law. For the avoidance of doubt, (a) neither the automatic stay nor the Plan injunction, as applicable,

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<sup>1</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Stipulation.

1 is modified to permit the Municipalities to prosecute any Electricity Tax Claims that arose or relate to  
2 the period prior to the Petition Date, and (b) nothing in this Order shall affect any rights of any of the  
3 Municipalities under proofs of claim they have filed in the Chapter 11 Cases or the rights of the  
4 Debtors to oppose or object to such proofs of claim.

5           4.       Nothing herein shall be construed to be a waiver by the Utility or the  
6 Municipalities of any claims, defenses, or arguments with respect to the Electricity Tax Claims or the  
7 State Court Action, including but not limited to any claims, defenses, or arguments that the Utility  
8 may have that: (i) any or all of the Electricity Tax Claims are preempted or should be adjudicated  
9 before the California Public Utilities Commission, or (ii) the failure by a Municipality to file a proof  
10 of claim on account of an Electricity Tax Claim precludes the Municipality, whether pursuant to the  
11 Plan, the Confirmation Order, the Bar Date Order, or otherwise, from recovering from the Utility any  
12 amounts on account of, or otherwise seeking relief with respect to, any Electricity Tax Claims that  
13 arose prior to the Petition Date.

14           5.       The Motion is hereby deemed withdrawn with prejudice, and the Hearing is  
15 vacated.

16           6.       The Stipulation shall constitute the entire agreement and understanding of the  
17 Parties relating to the subject matter thereof and supersede all prior agreements and understandings  
18 relating to the subject matter thereof.

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1                   7.       The Court shall retain jurisdiction to resolve any disputes or controversies  
2 arising from the Stipulation or this Order.

3 APPROVED:

4 Dated: July 13, 2020

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6 COLANTUONO, HIGHSMITH & WHATLEY, PC

7 /s/ John L. Jones II  
8 John L. Jones II

9 *Attorneys for Cities of Arcata, Blue Lake, Chico,*  
10 *Cupertino, Dinuba, Monterey, Orange Cove,*  
11 *Oroville, Pacific Grove, Sacramento, Salinas,*  
*San Leandro, Sanger, Santa Cruz, Sunnyvale,*  
*Vallejo, Woodlake, and the County of*  
*Sacramento*

12 \*\*\* END OF ORDER \*\*\*

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